

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6004

BILL NUMBER: HB 1013

NOTE PREPARED: Feb 13, 2006

BILL AMENDED: Feb 13, 2006

SUBJECT: In God We Trust License Plate.

FIRST AUTHOR: Rep. Burton

FIRST SPONSOR: Sen. Miller

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

In God We Trust License Plate - This bill creates an In God We Trust license plate, and specifies that it is not a special group recognition license plate.

Pull Service Fee - The bill provides that Bureau of Motor Vehicles (BMV) may not charge a pull service charge fee for a requested passenger motor vehicle registration plate for a license plate that designates the passenger motor vehicle as being owned by a person who has received a Purple Heart decoration.

Effective Date: July 1, 2006.

Explanation of State Expenditures: The potential expenditures for the manufacture of the newly created license plate will depend upon the number of colors used.

PEN Products (Prison Enterprises Network), the manufacturing and sales arm of prison-made products, charges the Bureau of Motor Vehicles (BMV) and other groups petitioning for the creation of a new license plate(s). These charges consist of:

- (1) \$3.80 per plate (flat plate).
- (2) \$4.50 per multi-colored flat plate.
- (3) \$450 one-time set-up. This includes plate set-up by PEN graphic designer.

There will be computer and accounting changes for the BMV. This provision will increase expenditures for

the PEN Products Revolving Fund and the Motor Vehicle Highway Account, which supports the BMV. The BMV expenditures for computer and accounting changes are expected to be minimal and able to be implemented within the existing level of resources available to the agency.

Explanation of State Revenues: *In God We Trust License Plate* - The proposal provides for no additional fee to purchase the license plate. In addition, the In God We Trust license plate is not a special recognition plate and therefore is not subject to the \$15 administrative fee.

(Revised) *Pull Service Fee* - The pull service fee is \$30 and is deposited into the state License Branch Fund, which supports the Bureau of Motor Vehicles Commission and the operation of the license branches throughout the state. Over the last three calendar years, the BMV has issued, on average, 6,965 Purple Heart license plates per year. Based on these data, revenue from the \$30 pull service fee would be reduced annually by approximately \$209,000.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Correction (PEN Products Division); Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission.

Local Agencies Affected:

Information Sources: Becky Gillam, Sales Manager, PEN Products, 317-388-8580; BMV data for the years listed.

Fiscal Analyst: James Sperlik, 317-232-9866.